IN THE CLAIMS:

Please AMEND claims 1-6, 16 and 17, as follows:

1. (Currently Amended) A sheet stacking apparatus comprising:

a first tray on which sheets discharged from an outlet are stacked, said first tray being movable between a stacking position at which the sheets discharged from the outlet are stacked and a first retracted position above the outlet stacking position;

a second tray on which the sheets discharged from the outlet are stacked, said second tray being disposed below said first tray, said second tray being movable between (1) a stacking position at which the sheets discharged from the outlet are stacked when said first tray is at a first retracted position and (2) a second retracted position below the stacking position; and

a controller that controls movement of said first tray and said second tray independently of each other, wherein when the sheets are to be stacked on said first tray, said controller stops descending movement of said second tray when a moving distance of said second tray reaches a predetermined constant distance which is set so that the top surface of the sheets stacked on said second tray does not interfere with said first tray which is at the stacking position.

2. (Currently Amended) The sheet stacking apparatus according to Claim 1, further comprising a sensor that detects the sheets on said second tray,

wherein the predetermined <u>constant</u> distance is set to a distance of movement up to just before an output of said sensor changes from <u>a sheet present indication to a sheet absent indication</u> "sheet present" to "sheet absent".

- 3. (Currently Amended) The sheet stacking apparatus according to Claim 2, wherein after the moving distance of said second tray reaches the predetermined constant distance, said controller initiates an ascending movement of said second tray in response to a change of the output of said sensor from a sheet present indication to a sheet absent indication "sheet absent," and stops the ascending movement in response to a change of the output of said sensor from "sheet absent," to "sheet present".
- 4. (Currently Amended) The sheet stacking apparatus according to Claim 2, wherein when the moving distance of said second tray reaches the predetermined constant distance, said controller stops said second tray regardless of the output of said sensor.
- 5. (Currently Amended) The sheet stacking apparatus according to Claim 2, wherein before the moving distance of said second tray reaches the predetermined constant distance, said controller initiates the ascending movement of said second tray in response to a change of the output of said sensor from "sheet present" to "sheet absent," and to stop ascending in response to a change of the output of said sensor from "sheet absent" to "sheet present".
- 6. (Currently Amended) The sheet stacking apparatus according to Claim 2 [[1]], further comprising a second sensor that detects that said second tray has descended to reach a lower limit when the sheets are to be stacked onto said first tray,

wherein when said second tray descends to the predetermined <u>constant</u> distance, said controller controls said second tray to stop descending in response to the detection by the second sensor that said second tray has reached the lower limit.

7-15. (Canceled)

- 16. (Currently Amended) The sheet stacking apparatus according to Claim 1, wherein when the moving distance of said second tray reaches the predetermined constant distance, said second tray is above the second retracted position.
- 17. (Currently Amended) The sheet stacking apparatus according to Claim 1, further comprising a sensor that detects the sheets on said second tray,

wherein the predetermined <u>constant</u> distance is set to a distance of movement up to after an output of said sensor changes from "sheet present" to "sheet absent".